## **Introduced by Assembly Member Negrete McLeod**

February 23, 2001

An act to amend Sections 82039 and 82045 of the Government Code, relating to the Political Reform Act of 1974.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1325, as introduced, Negrete McLeod. Political Reform Act of 1974: lobbyists: payments to influence legislative or administrative action.

Existing provisions of the Political Reform Act of 1974 generally define a "lobbyist" as an individual who receives \$2,000 or more in a calendar month or whose principal duties are to communicate directly or through agents with an elective state official, agency official, or legislative official for the purpose of influencing legislative or administrative action.

This bill would include specified communications before the Public Utilities Commission within, and exclude certain others from, the communications that qualify a person as a lobbyist under the act.

Existing provisions of the act define a "payment to influence legislative or administrative action" as including specified types of payment.

This bill would include a payment for the purpose of influencing certain actions or proceedings before the Public Utilities Commission within the definition of payments to influence legislative or administrative action if the payment meets the type of payment specified by existing law.

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Existing law makes a violation of the act subject to administrative, civil, and criminal penalties.

This bill would impose a state-mandated local program by imposing these penalties on persons who violate the provisions of this bill.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a  $^{2}/_{3}$  vote of each house and compliance with specified procedural requirements. Proposition 208, an initiative measure approved by the voters at the November 5, 1996, statewide general election, makes the amendment provisions of the Political Reform Act applicable to the amendment of that initiative measure. Proposition 208, however, has been generally superseded by Proposition 34, approved by the voters at the November 7, 2000, statewide general election, with the exception of certain provisions, one of which is amended by this bill.

This bill, which would declare that it furthers the purposes of the Political Reform Act of 1974 and Proposition 208, would therefore require a  $^2/_3$  vote.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote:  $^{2}/_{3}$ . Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 82039 of the Government Code is 2 amended to read:
- amended to read:

  82039. (a) "Lobbyist" means any individual who receives
- 4 two thousand dollars (\$2,000) or more in economic consideration
- 5 in a calendar month, other than reimbursement for reasonable
- 6 travel expenses, or whose principal duties as an employee are, to
- 7 communicate directly or through his or her agents with any
- 8 elective state official, agency official, or legislative official for the
- 9 purpose of influencing legislative or administrative action.  $\frac{No}{An}$
- 10 individual is *not* a lobbyist by reason of activities described in
- 11 Section 86300.

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(b) (1) Except as set forth in paragraph (2), for the purposes of subdivision (a), the phrase "communicate directly or through his or her agents with any elective state official, agency official, or legislative official for the purpose of influencing legislative or administrative action" includes, but is not limited to, communications made to influence any application, complaint, investigation, alternative dispute resolution proceeding or other formal matter relating to the making of any rule or regulation, or relating to any ratemaking proceeding, before the Public Utilities 10 Commission.

- (2) The provisions of paragraph (1) do not apply to communications made in, or communications made in writing as part of, any proceeding or matter before the Public Utilities Commission that meets all of the following requirements:
- (A) The proceeding or matter is conducted as an open public hearing for which public notice is given.
- (B) A record of the proceeding or matter is created in a manner that makes possible the creation of a transcript.
- (C) Full public access is provided to the record or transcript of the proceeding or matter and to all written material that is submitted to become part of the record of the proceeding or matter.
- SEC. 2. Section 82045 of the Government Code is amended to read:
- 82045. (a) "Payment to influence legislative administrative action" means any of the following types of payment:

<del>(a)</del>

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(1) Direct or indirect payment to a lobbyist whether for salary, fee, compensation for expenses, or any other purpose, by a person employing or contracting for the services of the lobbyist separately or jointly with other persons;

<del>(b)</del>

(2) Payment in support or assistance of a lobbyist or his activities, including but not limited to the direct payment of expenses incurred at the request or suggestion of the lobbyist;

<del>(c)</del>

(3) Payment which directly or indirectly benefits any elective state official, legislative official or agency official or a member of the immediate family of any such official;

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(4) Payment, including compensation, payment reimbursement for the services, time or expenses of an employee, for or in connection with direct communication with any elective state official, legislative official or agency official;

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- (5) Payment for or in connection with soliciting or urging other persons to enter into direct communication with any elective state official, legislative official or agency official.
- (b) A payment made for the purpose of influencing any application, complaint, investigation, alternative dispute resolution proceeding or other matter relating to the making of any rule or regulation, or relating to any ratemaking proceeding, before the Public Utilities Commission is a "payment to influence legislative or administrative action" if the payment meets the requirements of any provision in subdivision (a).
- SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.
- SEC. 4. The Legislature finds and declares that the provisions 26 of this act further the purposes of both the Political Reform Act of 1974 and Proposition 208 of the 1996 statewide general election within the meaning of subdivision (a) of Section 81012 of the Government Code and Section 45 of that measure.